§982.67(b) following each such disposition shall be accompanied by a certification by the person receiving such hazelnuts from the handler that they will be used for charitable or promotional purposes, as authorized.

[26 FR 4191, May 16, 1961. Redesignated at 26 FR 12751, Dec. 30, 1960, and amended at 54 FR 46721, Nov. 7, 1989]

§ 982.453 Disposition of substandard hazelnuts.

The Board shall maintain a list of approved users who are crushers, livestock feed manufacturers, or livestock feeders, and of the locations of the facilities to which substandard hazelnuts may be shipped. Users interested in purchasing substandard hazelnuts or hazelnut waste must make prior application to the Board on F/H Form D to be included on the approved list of such users. Each handler who disposes of substandard hazelnuts to an approved user shall, upon shipment, report to the Board on F/H Form D1 the quantities disposed of or shipped. Substandard hazelnuts disposed of to an approved user may only be shipped directly to an approved location where the crushing, feed manufacture, or feeding is to take place. The Board may deny approval to any user application, or may remove any user from the approved list when such denial or removal is deemed necessary to ensure control over disposition of substandard hazelnuts. This may occur if the Board determines that substandard hazelnuts are not properly shipped to, or utilized at. approved facilities, in compliance with this requirement. F/H Form D includes the location and description of the disposal facilities to be used as well as a certification to the Board and the Secretary of Agriculture that the applicant will:

- (a) Crush, manufacture feed, or feed to livestock such hazelnuts at the location:
- (b) Use such hazelnuts for no other purpose than for crushing into oil, manufacturing into livestock feed, or livestock feeding:
- (c) Permit such inspection of premises and of hazelnuts received and held, and such examination of books and records covering hazelnut transactions as the Board may require;

- (d) Keep a record of receipts, holdings, and use of substandard hazelnuts available for examination by authorized representatives of the Board and the U.S. Department of Agriculture for a period of two years after the end of the marketing year in which the recorded transactions are completed; and
- (e) Make such reports, certified to the Board and the Secretary of Agriculture as to their correctness, as the Board with the approval of the Secretary may require.

[54 FR 24328, June 7, 1989]

§ 982.454 Sureties acceptable to the Board.

Bonds secured by cash, cashier's or certified checks, or by assets that are entirely separate and apart from the handler named in the bond may be accepted by the Board pursuant to §982.54(a). As a condition of accepting any surety, the Board may require such financial statements or other information relating to the ability of such surety to guarantee a handler's bond as it deems necessary. Handlers are also required to submit F/H Form C to the Board to document the handler's execution of a bond.

[54 FR 46721, Nov. 7, 1989]

§ 982.455 Exchange of certified merchantable hazelnuts withheld.

Each handler desiring to exchange hazelnuts pursuant to §982.55 shall prior thereto file a written notification with the Board setting forth for the respective quantities of hazelnuts involved in the exchange, the inspection certificate numbers, quantities, locations, and applicable lot numbers.

[54 FR 46721, Nov. 7, 1989]

§ 982.456 Interhandler transfers.

Each interhandler transfer of hazelnuts pursuant to §982.56 (a) and (c) may be made upon notification to the Board in triplicate by the receiving handler on F/H Form 2 signed by both the transferring handler and the receiving handler which shall include the following information: (a) Date of transfer; (b) names of the transferring and receiving handlers; (c) locations between which the hazelnuts were transferred; (d) whether uncertified inshell